Consumers often make choices that diverge from those of others to ensure that they effectively communicate desired identities. Teens, for instance, regularly want to distinguish themselves from their parents and therefore choose for music styles, clothes, … their parents dislike. Previous studies demonstrate this drive to differentiate from others through product choices to vary across individuals (Snyder and Fromkin 1977) and situations (Byrne and Griffitt 1969). Further, research shows that for product categories symbolizing one’s identity, individuals abandon product options which the majority prefers (Berger and Heath 2007).

In addition, identity signaling is partially driven by price and explicitness of brand logos. Consumers, for instance, who strive for broader public recognition like to show others they can afford expensive products. Therefore, they choose expensive products that are well know by a broad range of consumers. They further prefer loud or large brand logos because it helps them broadcasting their desired identity. Very expensive top-class products that are only recognizable by connoisseurs are for these consumers less suitable for identity signaling. (Berger and Ward 2009).

The data of our three studies, however, display a more nuanced pattern. In Study 1, we asked 56 undergraduate students to enumerate brands that are typically bought or avoided by students who strive for broader recognition by showing their possessions to others. When analyzing the product categories, product categories that are seen as symbolic of identity were, as expected, most frequently listed (i.e. clothes (n= 36) and cars (n=30)). When analyzing brands, results were also straightforward. In general, the rather expensive well known brands that are still affordable by a rather broad range of consumers were top listed as typical signaling brands. These were BMW (n=16) and Mercedes Benz (n=15) for cars and Tommy Hilfiger (n=11) and Armani (n=6) for clothing. Further and in line with our expectations, lower priced well known brands were enumerated as brands these people rather avoid. For cars, these were Volkswagen (n=5) and Opel (n=5), and for clothing, Esprit (n=9) and H&M (n=5). So far, all results were in line with the existing literature.

In study 2 (n=137), we measured the degree to which undergraduate students strive for broader recognition by showing his/her personal wealth to others. The focal product category was clothing because it was top listed as identity signaling product category in Study1. Surprisingly, we could not find any relation between the degree for striving for broader public recognition and the percentage of the clothes of signaling brands that the participant had in his wardrobe (r=.07; p>.05). Based on previous studies as well as the results of our first study, we expected people high (low) in need for public recognition to own relatively more (less) clothes of signaling brands.
These unexpected results indicated that the activation of signaling related behavior is more complex than just the straightforward relationship between need for public recognition and an individual’s number of signaling brands. According to McClelland et al. (1989), behavior is the result of the interaction between motives and the environment. In brief, a person with a certain motive or need will only engage in motive relevant behavior under the presence of appropriate environmental stimuli. Without the presence of these environmental stimuli, motive relevant behavior is less likely to occur. In terms of identity signaling, this means that a consumer high in need for public recognition should be more likely to buy an expensive shirt with a large and loud imprint of a brand logo in a multi-brand store than in a mono-brand store. This because the presence of unwanted, cheap brands in the multi-brand store could act as an environmental stimulus that activates the consumer’s need for public recognition. Once this need is activated, the consumer’s purchase behavior should be channeled towards signaling brands with large brand logos. If this explanation is true, then the relationship between need for public recognition and intended purchase behavior of signaling brands must be higher in the presence of unwanted brands, certainly if the brands have explicit brand logos. To test this hypothesis, we set up a third study (n=131) in which we measured need for public recognition and intended purchase behaviour of two brands (within subjects): a signaling brand (Tommy Hilfiger) and an unwanted brand (Esprit). Signal explicitness was manipulated between subjects. We created two conditions for each brand. In the first condition, all t-shirts had large brand logos. In the second condition, we showed exactly the same t-shirts, but with brand logos erased. Each picture was tagged with a short description and brand name. To assess intended purchase behavior, each participant (all females) got virtually 100 Euros which they needed to spend in our online t-shirt shop. Difference tests on Fisher r-to-z transformations fully supported our hypothesis. The correlation, for instance, between need for public recognition and intended purchase behavior for the signaling brand was .41 (p<.05) when both the signaling and unwanted brand had explicit brand logos. This correlation was significantly higher than when both brands had no brand logos (r=.08, p>.1; z_{diff}=1.98, p<.05).

The results of these three studies add important insights to identity signaling theory. We clearly showed that individual differences and situational factors must be studied jointly instead of separately. As shown in our third study, the effect of individual differences on identity signaling is only activated in a specific situation. In future research, we will incorporate additional situational factors and individual difference variables (e.g. self-esteem). Another interesting avenue for further research concerns the question how identity signaling works for symbolic products that are less visible for the general public (e.g. pajamas, bathroom accessories, …).

Selected References


